

## **Phase 2 Revisions**

### **Test #9**

#### **Scenario Changes**

**Forms Required:** Form 8914

**Other:** Housed 4 qualified Hurricane Katrina victims  
Made qualified cash contributions for increased charitable deduction limits

#### **Form 8914:**

<u>First and Last Name</u>	<u>SSN</u>	<u>Former Address</u>	<u># Consecutive Days Lived with you</u>
Bass Tone	400-55-4009	416 Gravier St New Orleans, LA 70130	109
Tenor Tone	400-55-5009	416 Gravier St New Orleans, LA 70130	109
Kiddie Tone	400-55-6009	416 Gravier St New Orleans, LA 70130	109
Soprano Tone	400-55-7009	416 Gravier St New Orleans, LA 70130	109

#### **Schedule A:**

**Line 15a:** 1,000

**Line 15b:** 1,000

#### **Script Changes - Form 1040**

**Literal:** Hurricane Katrina

**Line 40:** 3,100

**Line 41:** 22,900

**Line 42:** 8,400

**Line 43:** 14,500

**Line 44:** 1,814

**Line 46:** 1,814

**Line 57:** 814

**Line 63:** 814

**Line 72:** 386

**Line 73a:** 386

**Line 73b:** XXXXXXXXXX

**Line 73d:** XXXXXXXXXXXXXXXXXXXX

### **Test #12 – Form 1040**

#### **Scenario Changes:**

⇒ Reduced combat pay W-2 to \$950

**Entries not requiring forms:** Form 1040, Line 66b: 950 Combat pay

**Other:** Form 1040, Line 66a: Literal: PYEI 13,700  
Hurricane Katrina victim - elects to use 2004 earned income of \$13,700 for the look-back election for earned income credit and refundable child tax credit

**Script Changes: Form 1040**

**Literal:** Hurricane Katrina  
**Line 66a:** 4,400  
**Literal:** PYEI 13700  
**Line 66b:** 950  
**Line 68:** 405  
**Line 71:** 5,805  
**Line 72:** 4,090  
**Line 73a:** 3,590

**Form W-2 #2:**

**Box 3:** 950  
**Box 4:** 59  
**Box 5:** 950  
**Box 6:** 14  
**Box 12a:** Q 950

**Test #17****Scenario Changes:**

**Forms Required:** Sch A, Form 8915, Form 4684

**Information Returns Attached:** Form 1099-R (1)

**Other:** Received qualified Hurricane Katrina distribution from 401(k) plan  
Total loss of home due to Hurricane Katrina damages

**Schedule A:**

**Line 5:** 1245  
**Line 5a:** X  
**Line 19:** 25,000

**Form 8915:****Part I:**

	(a)	(b)
<b>Line 1:</b>	45,000	45,000

**Part II:**

**Line 6:** 45,000

**Form 4684:**

**Incident Date:** 08/29/2005

**Section A:**

<b>Line 1:</b>	<b><u>Type</u></b>	<b><u>Location</u></b>	<b><u>Date Acquired</u></b>
<b>Property A:</b>	Principle Residence	26 Plantation Dr Natchez, MS	07/18/1997
<b>Line 2:</b>	147,000		
<b>Line 3:</b>	122,000		
<b>Line 5:</b>	189,000		
<b>Line 6:</b>	0		
<b>Line 11:</b>	0		

**Line 18:** No

**Script changes: Form 1040**

**Literal:** Hurricane Katrina  
**Line 16a:** 45,000  
**Line 16b:** 15,000  
**Line 22:** 31,119  
**Line 37:** 27,019  
**Line 38:** 27,019  
**Line 40:** 26,245  
**Line 41:** 774

**Form 1099-R:**

**Payer's name, street address, city, state and zip**

Big Brokers  
12 Wall Street  
New York City, NY 10005

**Payer's federal identification number**

13-4433221

**Recipient's identification number**

400-00-1011

**Recipient's name**

Test M Edgewood

**Recipient's street address**

1234 Luke Thomas Blvd

**Recipient's city, state, and zip**

Quinton, AL 35130

**Box 1: Gross distribution**

45,000

**Box 2a: Taxable amount**

45,000

**Box 7: Distribution code**

2

**Test #22**

**Scenario Changes:**

**Forms Required:** Form 3800, Form 5884A, Form 6251

**Other:** Schedule C #4 for Telemarketing is in a Hurricane Katrina core disaster area.  
Claiming Hurricane Katrina Employee Retention Credit for wages paid from  
August 28 – December 31.

**Schedule C #4:**

**Line E:** 420 Thompson Blvd  
Mobile, AL 36611

**Line 26:** 3,800 (Note: 4,600 reduced by 800 Form 5884A credit)

**Form 3800:**

**Line 1z:** 800

**Line 9:** 1,696

**Line 19:** 800

**Form 5884-A:**

**Line 1:** 2,000

**Form 6251:**

**Line 17:** 3,556

**Script Changes: Form 1040**

<b>Literal:</b>	Hurricane Katrina
<b>Line 55:</b>	800
<b>Line 55a:</b>	X
<b>Line 56:</b>	800
<b>Line 57:</b>	896
<b>Line 63:</b>	6730
<b>Line 72:</b>	570
<b>Line 73a:</b>	570
<b>Line 73b:</b>	XXXXXXXXXX
<b>Line 73d:</b>	XXXXXXXXXXXXXXXXXXXX